

BELL MOUNTAIN RANCH REQUEST FOR EXTRATERRITORIAL SERVICE

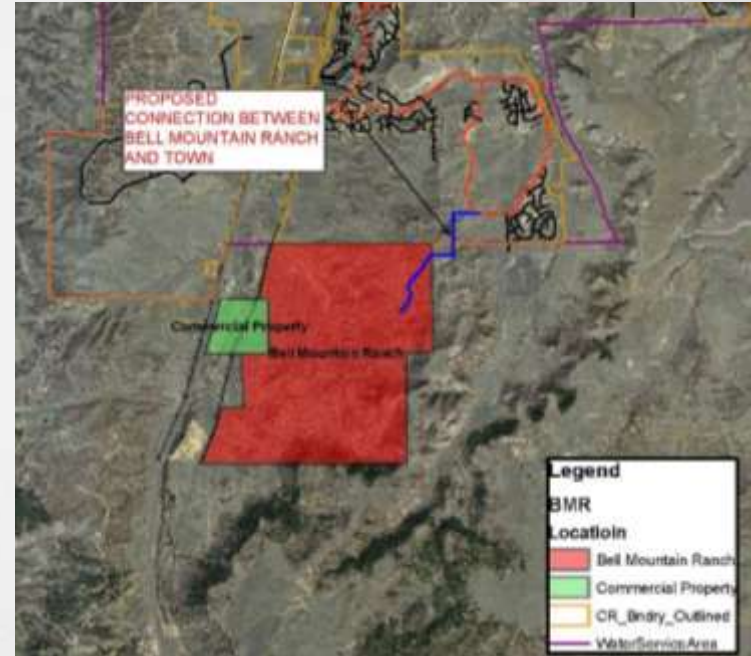
TOWN COUNCIL
OCTOBER 20, 2020



BELL MOUNTAIN RANCH

OVERVIEW

- 321-home subdivision in Douglas County
- Separate community water system
- Relies on nonrenewable groundwater
- Unable to comply with State water quality requirements for discharge from WTP
- Needs a long-term, renewable water supply
- Has coordinated with Douglas County on solution
- BMR would pay for capital buy in and connection costs
- Would become CRW customers similar to Canyons South



BELL MOUNTAIN RANCH

DRAFT AGREEMENT TERMS

- Exclusive to BMR (321 homes and 2 irrigation taps) / perpetual
- Subject to same rates and fees plus 10% extraterritorial surcharge
- System development fees recovered over 30 years / interest rate of 2.54%
- SDFs assessed at 2020 fees (W and WR) plus 10% extraterritorial surcharge
- SDFs partially offset by depreciated value of contributed assets plus value of excess groundwater rights at \$2,500/acre foot (AF)
- Town would acquire additional property in BMR at fair market value for future expansion of the existing BMR WTP and for future raw water pipelines
- BMR would pay for connection to Town's system / cost rolled into debt
- Total monthly bills ~\$142 to \$277 average \$185
- R&F adjusted annually based on CRW rates and fees as approved by Council

BELL MOUNTAIN RANCH

DRAFT AGREEMENT TERMS

- All groundwater rights / fixed assets deeded to Town
- Town would take over system
- Subject to same rules and requirements including water conservation
- District would adopt CRW's rules and regulations, rates and fees on annual basis
- Water supplied to BMR would not be returned via sanitary sewer; hence, loss of use of reusable water near term
- Water rights to all irrigation and septic return flows retained by CRW
- Once agreement fully executed, CRW will immediately own and operate the system.
- CRW would have option to improve and expand WTP / develop additional wells



THANK YOU

QUESTIONS